

# RESIDENTS' GUIDE



to  
Navy  
Flag and General Officer  
Quarters



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# INTRODUCTION

This Guide is intended for use with OPNAVINST 11101.19E, *Management of Flag and General Officer Quarters (F&GOQs)*. It contains information to help you, the residents of Navy Flag and General Officer Quarters in dealing with the restrictions of higher authority.

Becoming familiar with the Guide will increase your understanding of the way in which consistent Navy-wide policy is applied to the operation of your home.

## WHAT ARE F&GOQS?

F&GOQs are military-owned or leased houses reserved or “designated” for officers of pay grade O-7 and above. Sometimes houses are designated for specific billets; when you no longer hold that specific job you must move, to make the house available for the person newly selected for the billet.

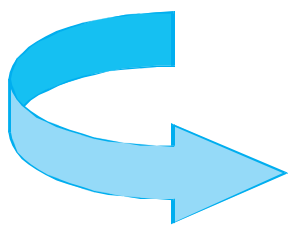
The designation of a house as a F&GOQ is significant as it allows for the provision of amenities not afforded to other units. Once designated, the house becomes subject to specific Congressional and Department of Defense (DOD) approvals, reporting requirements, and restrictions.

If an F&GOQ will be occupied for more than 12 months by an officer in the grade of O6 or below the house must be immediately redesignated as senior officer quarters. Likewise, an officer in the grade of O-7 or above may live for up to 12 months in a house not designated as an F&GOQ.

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Statutory and Office of the Secretary of Defense (OSD) regulatory controls exist for all military family housing. In some instances, such as those concerning maximum square footage limitations, the rules remain the same for all housing. In others more stringent limitations are applied to F&GOQs. Funding limitations, imposed by Congress in FY 1984 after several widely-publicized instances of very high costs for un-budgeted, unapproved work by the military services on individual residences, are especially burdensome.

When you are notified that you will be moving into a F&GOQ, you will be provided a *Resident's Handbook*. It contains specific information to ease the transition into your new home, make your stay more enjoyable, and help you vacate the house when the time comes.



# SUMMARY OF NAVY POLICY AND PHILOSOPHY

Within the constraints imposed by higher authority, it is Navy policy to maintain F&GOQs in an excellent state of repair, commensurate with their age and historic significance. As well as being consistent with the prudent landlord concept, i.e., would a landlord in the private community carry out the proposed action, this policy requires that the best value be received for dollars spent.

Navy policy focuses on the following aspects of F&GOQ management:

- *Long Term Care*
- *Maintenance Planning*
- *Costs*
- *Resident Relations*

## LONG TERM CARE AND USE OF FACILITIES

CNO policy is to give you reasonable flexibility for personalizing your home at change of occupancy, consistent with stewardship of the “public trust,” and with your written approval of costs. At the same time, the Navy “landlord” must maintain your home for continued use by succeeding generations. To do so, the owning activity is given the responsibility for developing a comprehensive long-range plan for operating and maintaining the house. The plan, once approved by CNO, is included in your *Resident’s Handbook*.

You are encouraged to provide suggestions for change of occupancy work, both as you prepare to move in and as you leave a house. Your approval of decorative items needing replacement, such as wallpaper and window treatments, will be especially appreciated.

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Discuss desired “personal touches” with your point of contact, who will work with you to stay within the approved budget.

**MAINTENANCE  
PLANNING**

Successful property management requires both short and long term planning. Your home’s long-range maintenance plan recognizes that major remodeling, which may be costly, must be done at given intervals. Because of the length of the budget approval process, large remodeling projects must be planned two to three years in advance. Properly planned projects survive Congressional scrutiny and properly executed, extend the life of a F&GOQ.

In the short term, success lies in effective work execution based on a well-thought-out plan which includes reasonable contingency for unexpected maintenance requirements.

Sometimes even the best of plans can change. When an emergent situation requires expenditures that will exceed the approved annual budget, the out-of-cycle budget process is the vehicle for congressional approval.

**COST AND  
DELIVERY OF  
SERVICES**

The Flag Quarters Property Management Team is composed of housing and maintenance personnel committed to continuous improvements in the delivery of work and services to your home.

Most of the maintenance work you request will be minor and is considered a “service call.” When you place a service call, please be as specific as possible in describing the work to be done and the time frame in which you need it completed. Work can be

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accomplished by “in-house” public works forces or civilian companies paid by government purchase cards or through more formal contractual arrangements. Each can be used to provide a satisfactory response. Your point of contact will provide you the most cost effective alternatives which are consistent with your time frame requirements.

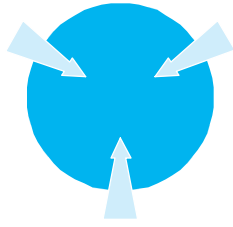
**RESIDENT  
RELATIONS**

Your Flag Quarters Property Management Team is focused on your needs as a resident. Even before you get the keys, you will be provided an individualized *Resident's Handbook* which details your new home.

A team member will be introduced to you so you can always deal with the same person concerning your home. Just to make sure things are going well, your team member will periodically check with you. Additionally, Navy-wide satisfaction surveys, designed to provide more direct communication between senior management and residents, will be mailed to your home every year. If at any time you feel your needs are not receiving appropriate attention, please alert your team member, the Public Works Officer or the Installation Commander.



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# SUMMARY OF HIGHER AUTHORITY RESTRICTIONS

THIS SECTION CONTAINS AN OVERVIEW OF THE CONGRESSIONAL RESTRICTIONS GOVERNING THE OPERATIONS AND MAINTENANCE OF YOUR HOME. IT ECHOES THE PROVISIONS OF OPNAVINST 11101.19E, *MANAGEMENT OF FLAG AND GENERAL OFFICER QUARTERS (F&GOQ)*, A COPY OF WHICH CAN BE FOUND IN YOUR *RESIDENT'S HANDBOOK*.

## STATUTORY CONTROLS

Title 10, U.S. Code defines requirements for military housing. While these laws apply to all housing, they may have particular impact on F&GOQs.

## SIZE

Section 2826, of Title 10, specifies the net square footage allowable by pay grade. This restriction applies to new construction and alterations, additions or improvements. While many F&GOQs, acquired before limitations were established, exceed the square footage limitation, their size cannot be further increased.

The maximum allowable size for a new construction F&GOQ is 2,100 net square feet. The limit is increased to 2,310 net square feet if the unit is for the commander of a major shore installation or is a Special Command Position. Net square footage, determined by measuring the space within the interior perimeter of exterior and party walls, excludes unfinished basement, utility service and bulk storage areas, attic, garage, carport, open or screened porches, stairwells, and landings.

## LEASING

Section 2828 authorizes the lease of family housing units in CONUS under certain conditions. The total annual cost, including rent, utilities, and operations and maintenance cannot exceed \$14,000 per annum. This amount may be adjusted yearly should there be a change in the Consumer Price Index (CPI).

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In overseas locations, most family housing leases are limited to \$20,000 per annum, but, with the prior approval of Congress, provisions exist for acquiring a limited number of higher cost leases. Overseas, “high cost leased” quarters, whether for occupancy by Flag and General Officers or by other military personnel, are leased for a specific person only when excessive costs of housing would cause undue hardship. The Secretary concerned may waive the size limit with respect to a family housing unit leased in a foreign country if a suitable family housing unit within the applicable prescribed maximum net floor area cannot be obtained.

**FUNDING**

Sections 2821 and 2831 state that, unless specifically authorized by statute, only Family Housing, Navy (FH,N) funds may be used for operating and maintaining family housing units. In overseas locations, certain security measures to protect specific residents are funded from general Operations & Maintenance, Navy (O&M,N) funds.

**HANDICAP  
MODIFICATIONS**

Section 2825 authorizes alterations, additions, or improvements required to make a family housing unit handicapped accessible. For F&GOQs, costs exceeding \$3,000 require Congressional notification and a 21-day waiting period with no committee objections before work may be accomplished.

**CONGRESSIONAL  
REPORTING  
LANGUAGE**

Annual reports are required by the Congressional Committees that have cognizance over military housing. While not technically statutory, these requirements are afforded “legal status” within DOD. The Services comply with these requirements as if they were law.

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## BUDGETS

The Services are required to obtain the prior approval of Congress for maintenance and repair (M&R) expenditures on F&GOQs that exceed \$25,000 per year. This \$25,000 limitation includes up to \$3,000 that can be spent for minor improvements, alterations and additions. Once approved by Congress, the annual M&R budget may be exceeded by up to \$5,000 without further approval. (Please refer to the Budget section (*see page 33*) for complete budgeting information.)

## OUT OF CYCLE BUDGETS & NOTIFICATIONS

Only one submittal that includes *all* Navy requirements is permitted per year to the Congressional Committees. That submittal must be personally signed by the Secretary of the Navy. If the Committees raise no objections, work can be started after a 21-day waiting period. These once-a-year submittals are normally solicited annually in the January time-frame and sent to Congress in March. Alterations, additions and improvements are not appropriate for out-of-cycle or Notification submissions.

Out of cycle submittals are limited to maintenance and repair work that: (a) is so urgent and compelling it cannot wait for the next annual budget submission; (b) could not reasonably have been foreseen at the time of budget submission; and (c) will cause a budget to exceed \$25,000 for maintenance and repairs.

Congressional Notifications are appropriate when the maintenance and repair amount previously approved by Congress will increase by more than \$5,000 due to scope or cost increases.

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OTHER TYPES OF  
NOTIFICATIONS

*Emergency Notifications* • In the event of natural disaster, such as a hurricane or an earthquake, emergency Congressional notifications may be made at any time. Specific Congressional approval is required before work can begin.

*Hazardous Materials* • In the event lead-based paint or asbestos is discovered *while work is underway*, an after-the-fact Congressional notification is permitted. This notification is made semiannually and includes all family housing units where hazardous materials have increased the cost of doing work.

HISTORIC  
PRESERVATION

Any work considered to be maintenance, repair, or other work specifically associated with the preservation of historically significant architectural features, the historic integrity of the quarters, or preservation of public access to historically significant quarters. Congress has specifically denied the use of funding other than FH,N for historic preservation.

HISTORICAL  
QUARTERS

Your *Resident's Handbook* will tell you if your home is on the Historic Register or is being considered for such status. The National Historic Preservation Act of 1966, as amended, provides for the administration of federally owned, administered, or controlled historic resources in a spirit of stewardship for the benefit of present and future generations.

It is DOD policy to: integrate historic preservation requirements with the planning and management of facilities; minimize expenditures through judicious

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application of options in complying with applicable laws; and encourage practical, feasible rehabilitation and adaptive use of significant historical resources.

Facilities that are more than fifty years old are considered eligible for historic designation and are treated as historic pending a formal investigation and final determination.

Specifically excluded from historic preservation work is installation, maintenance, repair, or replacement of modern amenities not associated with the historic significance of the property.

Historic preservation work is considered to be any maintenance, repair, or other work specifically associated with the preservation of historically significant architectural features, the historic integrity of the quarters, or preservation of public access to historically significant quarters. All costs associated

with historic preservation are paid by the FH,N account and are part of the annual Congressional cost limits.

#### ***Examples of Historic Preservation***

- ◆ Work to preserve exterior appearances, such as painting and reroofing.
- ◆ Work required for health or safety reasons that, if not accomplished, could threaten public access to the historic quarters. Such work could include asbestos removal, repair of deteriorated electrical wiring, etc.
- ◆ Work to preserve the structural integrity of the quarters, such as foundation repairs.
- ◆ Work to preserve architecturally significant features of the quarters, such as distinctive woodwork, detail work, etc.

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**PUBLIC  
ENTERTAINMENT  
AREA**

DOD Manual 4165.63-M defines the public entertainment area as that area in a set of quarters intended to accommodate public rather than private entertainment. Included is the entrance foyer, living room(s), dining room, and the stairways and hallways interconnecting these areas. Enclosed porches, dens, libraries, family rooms, upstairs hallways (unless there is no bathroom available for guests to use on the first floor) and other areas of the house are *normally* not considered as part of the public entertainment area. OSD policy allows the provision, maintenance and repair of supplementary furnishings for the public entertainment area of all flag quarters.

Navy policy expands the definition to include: 1) patio furniture which is authorized for sub-tropical areas when patios are part of the defined entertainment areas; and 2) furnishing which are authorized for guest bedroom(s) designated as public entertainment areas.

The public entertainment areas of your house are identified in the floor plans found in your Resident Handbook.

**SPECIAL  
COMMAND  
POSITION  
QUARTERS**

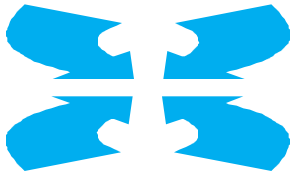
Special Command Positions are approved by the Secretary of Defense in DOD Directive 1100.12 for certain positions having specific representational responsibilities. The public entertainment responsibilities of these incumbents require them to represent the interests of the United States in official and social entertainment activities. Houses designated for these positions are also known as representational quarters.

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Special allowance items are authorized only to incumbents of Special Command Positions. Special Allowance items include table linens, dishes, glassware, silver, and kitchen utensils. These items are provided in addition to amenities provided all other F&GOQ.



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# STANDARDS OF EXPECTATION AND PERFORMANCE

As a resident of government quarters, you have certain expectations of the government as your landlord and responsibilities as a tenant. In establishing the following standards, an effort was made to balance reasonable cost, personal life styles, service response times, and quality assurance. Should you feel at any time that your expectations are not being met, or that what is expected of you is unreasonable, please do not hesitate to bring the discrepancy to the attention of your team member or the Installation Commander.

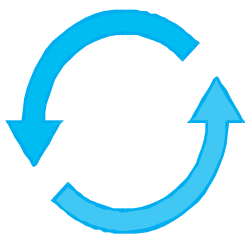
## ***You May Expect***

- ◆ Professional housing management service.
- ◆ Sensitivity to your duties and responsibilities.
- ◆ Sufficient advance notice for access.
- ◆ A clean, structurally sound, fully functioning, aesthetically pleasing home.
- ◆ Complete operating instructions for all features of your home.
- ◆ Supplementary furnishings as required.
- ◆ A copy and explanation of the CNO-approved maintenance plan and budget.
- ◆ Quarterly briefings on the status of expenditures.

## ***What is Expected of You***

- ◆ Access to maintain and repair your home, and, prior to move-out, to identify required change of occupancy items.
- ◆ Advance notice, as early as possible, of special event requirements and reassignment.
- ◆ Prompt reporting of any deficiency.

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# CHECK IN & OUT PROCEDURES

## BEFORE ARRIVAL

When first advised of your new assignment, you will receive a *Resident's Handbook* for your new home. The Handbook, which includes a copy of this Guide, is yours to keep, and contains material designed to familiarize you with your new residence.

### *Your Handbook Contains*

- ☑ Quarters History & Historic Register Status
- ☑ Past Resident Listing
- ☑ Current Flag & General Officer Residents in the Area
- ☑ Exterior and Interior Photographs of Residence
- ☑ Floor Plans of Residence, With Dimensions
- ☑ Residents' Guide to Navy F&GOQs
- ☑ OPNAVINST 11101.19E, *Management of Flag and General Officer Quarters (F&GOQ's)*
- ☑ Installation/Quarters Specific Information
- ☑ Quarters Budget Information & Change of Occupancy Plans
- ☑ Emergency Information
- ☑ Important Local Information, Including Point of Contact
- ☑ Furniture & Appliances Inventory
- ☑ Grounds Maintenance Status
- ☑ Recurring Maintenance Schedules
- ☑ Self Help Program Information
- ☑ Sample Local Forms

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After reviewing the material pertaining to your new home, you should immediately advise your point of contact of any special requirements you have, and if possible, arrange a pre-move visit to the house to discuss the specifics of the change of occupancy work planned for the vacancy period.

You should verify the date the house is expected to be ready for you to move in. This date is dependent on the vacate date of the current resident and the amount of work required to make the house ready for you.

Should temporary quarters be required due to extensive major repairs, this can also be discussed.

#### AT CHECK-IN

Upon arrival, check to verify the work schedule and occupancy date. At the time of actual check-in, you will be given your keys and a comprehensive walk-through of the house. During the walk-through, all the features of the house will be discussed with you, including local schedules for items such as trash pickups, cyclical maintenance, and pest control. You will be asked to sign for the condition of the house, the inventory listing government furnishings, and for checkage of your BAQ & VHA.

Any of your remaining questions should be answered at this time. Additionally, any newly discovered items needing attention will be noted and a work schedule, based on your convenience, established. Your quarters budget will also be discussed to include work planned during your residency and the balance of funds available through the end of the fiscal year.

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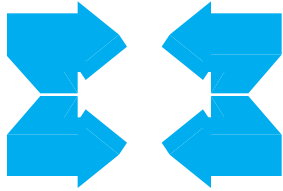
## AT DEPARTURE

When you receive notice of PCS orders to your new duty station, please request a pre-vacate meeting and walk-through to determine what work will need to be done during the vacancy period. At the meeting your opinions will be sought on work that should be done for the next resident. The resulting list of work will be compared to and integrated with that scheduled in the CNO-approved change of occupancy portion of the maintenance plan.

The amount and type of work to be done during the change of occupancy period will determine the extent to which you are expected to clean the house. Personal-use items such as stoves, refrigerators, bathrooms, etc. will always require cleaning but, where work is expected to be accomplished and/or furnishings or equipment replaced, thorough cleaning may not be required. Your point of contact will cover these items with you and your family members.

After your household goods have been picked up and all required cleaning is done, a final check-out meeting will be held. During this meeting, you will turn in keys and any other issued items, receive your BAQ/VHA reinstatement paperwork, and sign for inventory of furnishings.

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# FURNISHINGS

## CARPETING AND WINDOW COVERINGS

The provision of supplementary furnishing for the public entertainment area of houses designated Flag and General Officer Quarters is authorized. In foreign leased quarters, equipment or appliances normally provided as part of an American housing unit, such as kitchen cabinets and wardrobes, are considered furnishings.

Decorative window coverings are provided for the public entertainment areas of F&GOQs and all other windows will have some form of covering.

Area rugs and window coverings are considered furnishings and are not part of the annual maintenance and repair cost limitations. All floor and window coverings should be of a neutral shade in order to be acceptable to a series of residents.

Carpeting is authorized for use as an alternative floor covering in F&GOQs as well as in all types of military family housing. Costs associated with the provision and care of carpeting is, therefore, considered part of the annual maintenance and repair limits set by Congress.

Carpeting and window coverings are cleaned, repaired or replaced at change of occupancy or on an “as required” basis.

## FURNITURE

Supplemental furniture is not intended to and can not be provided to replace your personal belongings but is intended to allow you to entertain and to help you in furnishing oversized quarters.

Furniture purchase and repair is allowed only for public entertainment areas. The exception is at overseas locations where there are weight limitations on



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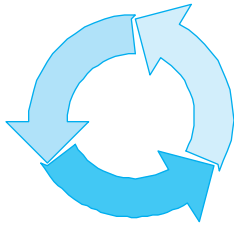
household goods shipments in accordance with DOD Manual 4165.63M. At these places, additional furnishings are provided to the extent applicable for the geographical location.

An inventory is maintained of the government furnishings located in each set of F&GOQ. This inventory is reviewed before and after each occupancy change and you will be asked to sign to acknowledge accountability.

In foreign leased quarters, equipment or appliances normally provided as part of an American housing unit, such as kitchen cabinets and wardrobes, are considered furnishings.

#### **EQUIPMENT**

The following items are authorized and may be sized to meet the needs of your individual quarters: stove, refrigerator, freezer, installed dishwasher, portable dishwasher (in the absence of a built-in dishwasher), microwave oven, trash compactor, ice-maker, garbage disposal, and washer and dryer. If required by the nature of your home, the inventory may include additional equipment.



# MAINTENANCE MANAGEMENT

## SIX-YEAR MAINTENANCE PLAN

Comprehensive inspections of all designated Navy Flag and General Officer Quarters took place in FY 1996. The inspection was designed to provide a baseline for a six-year maintenance and repair plan for each house to be sent for approval to the Chief of Naval Operations. The plan, which forms the basis for individual annual budget submittals and approvals, also provides data for a rational, unified approach to the Congressional committees on the retention and upkeep of the Navy's extremely visible senior executive housing. Similar plans will be prepared for newly designated F&GOQ as the houses are occupied by Flag and General Officers.

Reinspections are planned Navy-wide on a four year cycle. Activities may submit changes to the plan should emergent conditions require.

The six-year maintenance plan identifies individual items of required work and associated costs, and then summarizes them into three main categories:

- (a) Annual routine, cyclical and preventative maintenance and minor repair;
- (b) Change of occupancy costs; and
- (c) Major repair and improvement items and projects to maintain the integrity of the facility.

These plans form the basis of each house's maintenance and repair (M&R) budget: After approval by CNO, plans which require less than \$25,000 in a fiscal year may be executed without further approval.

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Maintenance plans which anticipate costs greater than \$25,000 in any fiscal year require CNO and Congressional approval via the formal budget submittal.

Once these budgets are approved by Congress, the plans are executable. Approved budgets are allowed a \$5,000 overrun without further approval, provided no major scope changes are made in the work reported to and approved by Congress.

The plan for your house, found in your *Resident's Handbook*, will show the current year budget, the budget for the next fiscal year which is pending before Congress and the next six fiscal years. This plan represents the only the maintenance and repair section of the total cost of operating your quarters.

In order to maintain F&GOQs, major work must be done periodically to structural, mechanical, electrical and other systems both inside and outside the house. If the house is historic, major work may be especially complicated. This may result in occupancy delays, the need to occupy an alternate house, or at your option, some work being done after you move in. These choices are left to you as much as possible, consistent with the CNO-approved plan, existing contracts and other work mechanisms, and should be discussed when you first learn of your assignment to a specific house.

## 6 YEAR PLAN

### FLAG & GENERAL OFFICER QUARTERS SIX-YEAR MAINTENANCE PLAN

QUARTERS ID: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

ACTIVITY: \_\_\_\_\_

BILLET: \_\_\_\_\_

HISTORIC: ☐

LEASED: ☐

OWNED: ☐

PERMIT: ☐

LINE ITEM	CURRENT YEAR 199X	BUDGET YEAR	BUDGET YEAR+1	BUDGET YEAR+2	BUDGET YEAR+3	BUDGET YEAR+4	BUDGET YEAR+5	BUDGET YEAR+6
Routine/Preventative Maintenance and Minor Repair								
Routine/Preventative Maintenance								
Minor Repair								
Sub Total:								
Change of Occupancy								
Sub Total:								
Major Repairs & Improvements								
Major Repairs								
Improvements								
Sub Total:								
Grand Total:								

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**RESIDENT  
REQUESTED  
CHANGES  
TO APPROVED  
PLANS**

Change requests should be limited to those necessary to meet only the most essential official entertainment requirements. In a request to add to or change the CNO-approved maintenance plan for your house, you will need to describe the desired work to your point of contact and request a cost estimate. You will be provided several cost estimates and asked to sign indicating your approval of the work and the expenditure of the funds. Your signature also indicates your wish to proceed with the change to the CNO-approved plan. A sample of the form used for this purpose can be found on the next page.

**CAVEATS**

The following caveats apply:

- ☐ Requests that involve alterations or additions to your house that cost in excess of \$3,000, cannot be accomplished without Congressional approval.
- ☐ Additional work requested in a year for which a budget has been Congressionally approved cannot increase the budget by more than \$5,000. The \$5,000 contingency applies to all increases to the approved maintenance and repair budget and not only resident requested work. Requested work that does not increase the approved budget by \$5,000 can be done with your written approval for the expenditure of the funds and an amendment to the maintenance plan.
- ☐ Work requested in a fiscal year when the maintenance and repair plan is less than \$25,000 cannot increase the plan to an amount over \$25,000.

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## CHANGE REQUEST

### RESIDENT REQUESTED ITEMS

QuartersID: \_\_\_\_\_ Activity: \_\_\_\_\_

Resident's Name: \_\_\_\_\_ Date: \_\_\_\_\_

#### **WORK REQUESTED:**

Please describe the work requested:

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Indicate the reason for the requested work:

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#### **FOR HOUSING OFFICE USE ONLY:**

1st Method \_\_\_\_\_ 2nd Method \_\_\_\_\_ 3rd Method \_\_\_\_\_  
Estimated Cost of Work: \$ \_\_\_\_\_ Estimated Cost of Work: \$ \_\_\_\_\_ Estimated Cost of Work: \$ \_\_\_\_\_  
**COMMENTS:**

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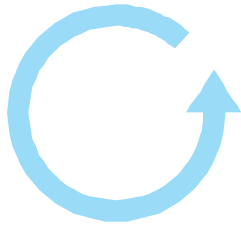
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Resident signature indicates concurrence with the estimate for work requested above.

\_\_\_\_\_  
RESIDENT

\_\_\_\_\_  
DATE

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## GROUNDS MAINTENANCE

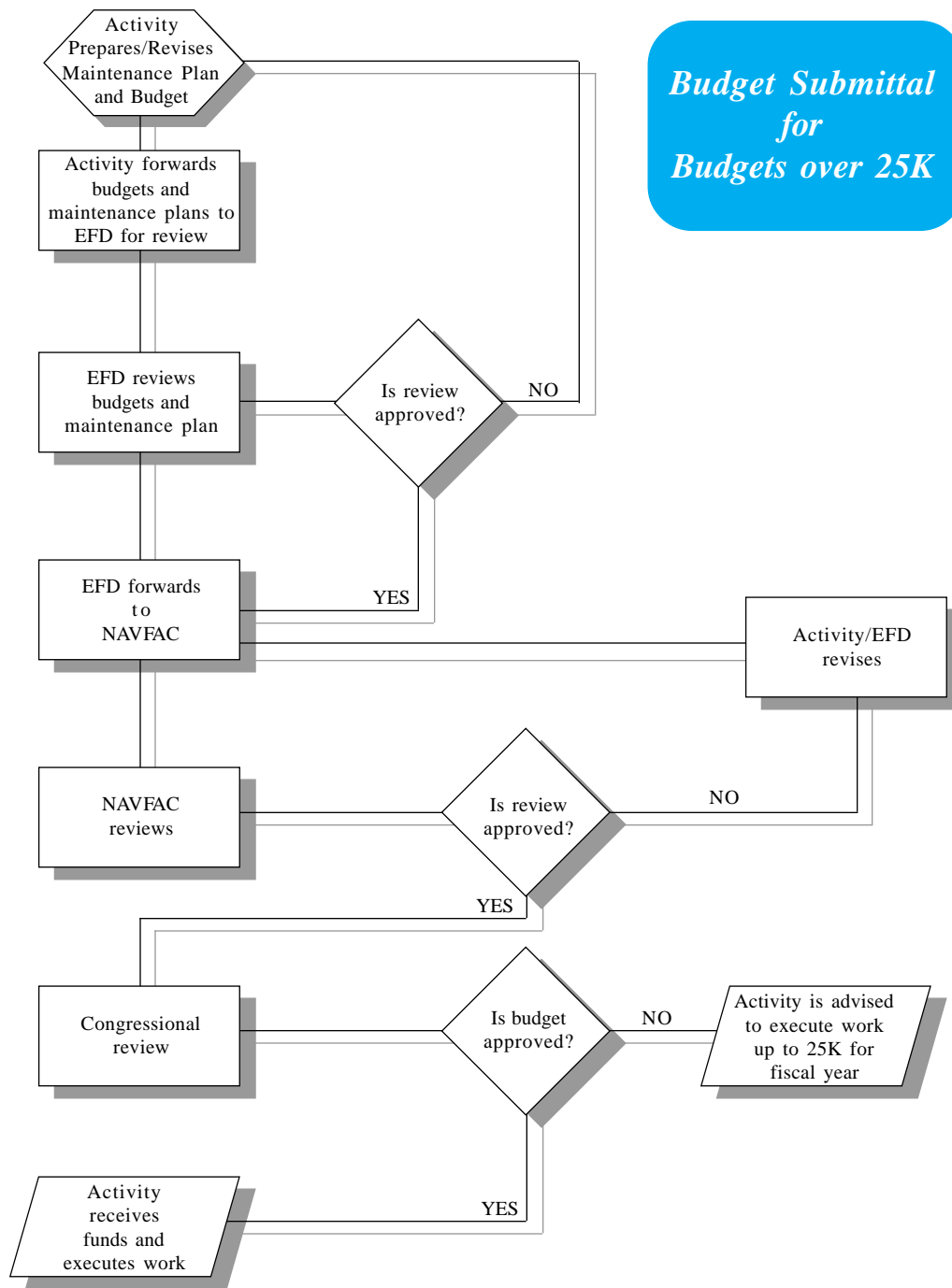
Resident responsibility for grounds care is defined by OSD as the mowing, edging, trimming and watering of lawns, pruning of small shrubs and removal of weeds from and watering of planter beds within fifty feet or one half acre surrounding the house. Provisions exist within Navy policy for waivers, under certain circumstances, to allow for government-paid grounds care within the half acre area. Maintenance beyond the half acre limit will always be charged to the overall housing grounds account.

Unless a waiver has been granted by CNO (N4) you are responsible for routine grounds care within the half acre surrounding your house. Your *Resident's Handbook* will tell you if a waiver has been granted.

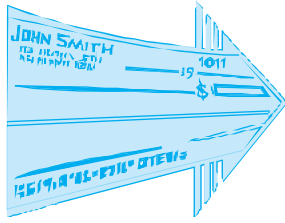
If a waiver has not been requested or was previously disapproved and you feel the decision should be reconsidered, please see your point of contact for advice on how to make the request.

Any pesticide application (control of insects, rodents and/or plants), irrigation system maintenance/repair, site furnishings maintenance and pruning of trees and large shrubs are government responsibilities. Extensive lawn and planter bed fertilizing, and lawn reseeding, aeration and dethatching efforts are also government responsibilities. Your grounds care can be supported with self-help equipment and supplies. Grounds care paid for by the government within your home's half acre is charged to the house as a maintenance expense and is included in the annual \$25,000 Congressional cost limitation.





## BUDGET PROCESS



# BUDGETS

## GENERAL

Annual budgets secure funds and approvals for operations and maintenance and are based upon the CNO approved six-year maintenance plan, plus routine operating costs. Operating costs, although included in the formal Congressional budget submissions, are not part of Congressional cost limitations.

## OUT OF CYCLE BUDGETS

Only one submittal that includes *all* Navy requirements is permitted per year to the Congressional Committees and must be personally signed by the Secretary of the Navy. If the Committees raise no objections, work can be started after a 21 day waiting period. Alterations, additions and improvements are not appropriate for out-of-cycle or Notification submission.

These once-a-year submittals are normally solicited annually in January and are limited to maintenance and repair work that:

- (a) is so urgent and compelling it cannot wait for the next annual budget submission or
- (b) could not reasonably have been foreseen at the time of budget submission and
- (c) will cause a budget to exceed \$25,000 for maintenance and repairs.

## RENOTIFICATIONS

Congressional Notifications are appropriate when the maintenance and repair amount previously approved by Congress will increase by more than \$5,000 due to:

- (a) work initiation slipping to a subsequent fiscal year from the year in which it was approved;
- (b) cost overruns exceed by more than \$5,000 the amount approved by Congress; or
- (c) significant changes to the scope of work originally described.

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Renotifications, limited to once per year, are submitted in the January time frame in conjunction with the Out of Cycle budgets.

For help in understanding your house's budget and/or any periodic cost reports, please contact your team member who can provide back-up information to support the totals.

The following pages provide samples of budget submissions.

*Definitions of the line items follow the samples.*

## O&M BUDGET

### SAMPLE FY96 F&GOQ'S OPERATIONS AND MAINTENANCE (O&M) BUDGET

		<u>TOTAL M&amp;R (\$)</u>
QUARTERS ID:	AA	1993 Cost: 5,233
ACTIVITY:	PWC Anywhere	1994 Cost: 3,400
RESIDENT:	Anyone, USN	1995 Budget: 41,700
BILLET:	Of Resident	
HISTORIC QUARTERS:	YES: <u>X</u> NO: <u>    </u>	

<u>LINE ITEM</u>	<u>REQUESTED BUDGET</u>	<u>HISTORIC COST (NON-ADD)</u>
OPERATIONS:		
MANAGEMENT	700	
SERVICES	2,500	
UTILITIES	5,100	
FURNISHINGS	2,200 <u>1/</u>	
TOTAL OPERATIONS	10,500	
MAINTENANCE & REPAIR		
DWELLING	12,400 <u>2/</u>	(6,000)
EXTERIOR UTILITIES	1,100	
GROUNDS MAINTENANCE	5,500 <u>3/</u>	
OTHER REAL PROPERTY	2,200 <u>4/</u>	
MAJOR REPAIR	5,300 <u>5/</u>	(5,300)
INCIDENTAL IMPROVEMENTS	1,500 <u>6/</u>	
TOTAL MAINTENANCE	28,000	(11,300)
TOTAL O&M	38,500	(11,300)
IMPROVEMENTS		
GRAND TOTAL	38,500	(11,300)

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## O&M BUDGET BREAKOUT

### SAMPLE FY96 F&GOQ'S OPERATIONS AND MAINTENANCE (O&M) BUDGET

- 1/ Includes \$500 to replace sofa in entertainment area; \$1,000 to replace window coverings for 10 windows. Window coverings were last replaced in 1984.
- 2/ Includes \$6,000 for exterior painting. Unit last painted in 1986.
- 3/ Includes \$500 for replacement flower bed plants damaged during heavy frost and routine grounds care as approved by CNO waiver dated 30 November 1994.
- 4/ Funds requested to replace wooden privacy fence.
- 5/ Includes \$1,500 for roof repairs; \$3,000 to replace exterior siding; Chimney replacement \$600.
- 6/ Install ceiling fans.

## REVISED O&M BUDGET

SAMPLE				
REVISED FY96 F&GOQ'S OPERATIONS AND MAINTENANCE (O&M) BUDGET				
			<u>TOTAL M&amp;R (\$)</u>	
QUARTERS ID:	AA		1993 Cost:	5,233
ACTIVITY:	PWC Anywhere		1994 Cost:	3,400
RESIDENT:	Anyone, USN		1995 Budget:	41,700
BILLET:	Of Resident			
HISTORIC QUARTERS: YES: <u>X</u> NO: _____				
<u>LINE ITEM</u>	<u>APPROVED BUDGET</u>	<u>CHANGE</u>	<u>REQUESTED APPROVAL</u>	<u>HISTORIC COST</u>
OPERATIONS:				
MANAGEMENT	700		700	
SERVICES	2,500		2,500	
UTILITIES	5,100		5,100	
FURNISHINGS	2,200	7,300 <u>1/</u>	9,500	
TOTAL OPERATIONS	10,500	7,300	17,800	
MAINTENANCE & REPAIR				
DWELLING	10,400	2,500 <u>2/</u>	12,900	(6,000)
EXTERIOR UTILITIES	1,100		1,100	
GROUPS MAINTENANCE	5,500		5,500	
OTHER REAL PROPERTY	2,200		2,200	
MAJOR REPAIR	5,300	4,200 <u>3/</u>	9,500	(5,300)
INCIDENTAL IMPROVEMENTS	1,500			
TOTAL MAINTENANCE	26,000	6,700	32,700	(11,300)
TOTAL O&M	36,500	14,000	50,500	(11,300)
IMPROVEMENTS				
GRAND TOTAL	36,500	14,000	50,500	(11,300)
<u>1/</u> Refinish dining room table and 24 side chairs. <u>2/</u> Repair water damaged ceiling and repaint. <u>3/</u> Repair exterior windows.				

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BUDGET  
LINE ITEM  
DEFINITIONS

*Management* • A pro-rata share of the costs of operating the family housing program, including the housing office and staff.

*Services* • The costs associated with paying for police and fire protection, pest control, refuse collection, and street sweeping, including snow removal, if applicable.

*Utilities* • Self-explanatory. For those utilities that are not metered, engineering estimates are used to compute the charges.

*Furnishings* • This line item includes repair, replacement, control, moving and handling of both furniture and equipment items such as ranges, refrigerators, sofa, occasional chairs.

MAINTENANCE  
AND REPAIR  
(M&R)

*Maintenance* • Routine, recurring, periodic or scheduled work required to preserve real property facilities and furnishings in such condition that they may be effectively utilized for their designated purpose.

*Repair* • The restoration of a real property facility or system to such condition that it may be effectively utilized for its designated purpose by replacement of constituent parts or material which have deteriorated by action of the elements or use (wear and tear) and have not been corrected through maintenance.

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*Exterior Utilities* • A pro-rata share of exterior utilities, such as streetlights or owned utility systems, in the immediate area is charged to each F&GOQ.

*Grounds Maintenance* • All grounds care and landscaping costs to include maintenance, care and repair of the irrigation system, lawn, planter beds, trees, and shrubs within fifty feet or one half acre of the house.

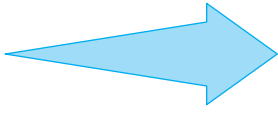
*Other Real Property* • The cost of maintenance and repair of items, such as fences, driveways and sidewalks, within the immediate area and associated with a F&GOQ.

*Incidental Improvements* • Minor work of an improvement nature, not to exceed \$3,000 which may be accomplished concurrently with maintenance and/or repairs and which is funded by the FH,N maintenance and repair account.

*Improvements* • Alterations, conversions, modernization, additions, expansions and extensions. Improvements costing more than \$3,000 are funded from a separate account within the FH,N appropriation and require specific Congressional approval.



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# COST REPORTS

## RESIDENT REPORTS

Two types of cost reports are required for each F&GOQ:

You will receive a quarterly cost report reflecting actual expenditures charged to your home. This report, formatted as on the next page, helps ensure the budget limit will not be exceeded and allows for appropriate corrections as the execution year progresses. There are two types of charges:

*direct charge* • This is a charge to your quarters based on work done specifically for you; e.g. repair of furniture, or installing a new electrical outlet.

*prorated charge* • This is a charge that cannot be identified to any one set of quarters and so is divided among all the quarters receiving the service. An example is overhead management cost.

## F&GOQ MANAGEMENT REPORTS

An annual report, DD2405, is required by OSD for every F&GOQ at the end of each fiscal year. These reports, which provide summary obligations, help ensure Congressional approvals have not been exceeded and determine average Navy costs. They also provide data for overall DOD costs and are used to compare costs between the Services. Included in the report are all obligations for operations, maintenance and repairs, improvements and lease expenses.

# QUARTERLY COST REPORT

## REPORT OF OPERATIONS AND MAINTENANCE COSTS FLAG AND GENERAL OFFICER QUARTERS

Resident: RADMJ. P. JONES  
Address: QTRS A  
Billet: COMCARGRU  
Occupied: 2/12/96  
PRD: 2/1/98

PRIOR FY TOTALS		
	MAINT	OPS/MAINT
FY94	15,401	20,552
FY95	51,350	59,924

<i>COST OF</i> <u>OPERATIONS</u>	<i>FY96</i> <i>APPROVED</i> <i>BUDGET</i>	1ST QTR	2ND QTR	3RD QTR	4TH QTR	<i>YEAR</i> <i>TO</i> <i>DATE</i>	<i>BALANCE</i>
MANAGEMENT	1,800	450	450	450	0	1,350	450
SERVICES	700	39	98	238	0	376	324
UTILITIES	4,500	610	611	735	0	1,956	2,544
FURNISHINGS	3,500	13	517	565	0	1,094	2,406
<b>TOTAL</b> <b>OPERATIONS</b>	<b>10,500</b>	<b>1,112</b>	<b>1,676</b>	<b>1,988</b>	<b>0</b>	<b>4,777</b>	<b>5,723</b>
<i>COST OF</i> <u>MAINTENANCE</u>							
DWELLING MAINT.	14,800 1/	597	8,327	558	0	9,481	5,319
EXT. UTILITIES	0	0	0	0	0	0	0
GROUNDS MAINT.	7,200 2/	1,800	1,800	1,800	0	5,400	1,800
MAINT. OF ORP	0	0	0	0	0	0	0
INCIDENTAL IMP.	3,000 3/	0	0	0	0	0	3,000
MAJOR REPAIR	0	0	0	0	0	0	0
<b>*TOTAL</b> <b>MAINTENANCE</b>	<b>25,000</b>	<b>2,397</b>	<b>10,127</b>	<b>2,358</b>	<b>0</b>	<b>14,881</b>	<b>10,119</b>
<b>TOTAL</b> <b>OPS/MAINT.</b>	<b>35,500</b>	<b>2,509</b>	<b>11,803</b>	<b>4,346</b>	<b>0</b>	<b>19,658</b>	<b>15,842</b>
IMPROVEMENTS	0	0	0	0	0	0	0
<b>GRAND TOTAL</b>	<b>35,000</b>	<b>3,509</b>	<b>11,803</b>	<b>4,346</b>	<b>0</b>	<b>19,658</b>	<b>15,842</b>

\* Total not to exceed 25K without Congresssional approval

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